



Tualatin Hills Park & Recreation District Minutes of a Regular Meeting of the Board of Directors

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was held on Wednesday, January 10, 2024, at the Tualatin Valley Water District Headquarters, 1850 SW 170th Avenue, Beaverton, Oregon. Executive Session 5:30 pm; Regular Meeting 6:00 pm.

Present:

Alfredo Moreno	President/Director
Barbie Minor	Secretary/Director
Tya Ping	Secretary Pro-Tempore/Director
Felicita Monteblanco	Director
Miles Palacios	Director
Doug Menke	General Manager

Agenda Item #1 – Executive Session (A) Land

President Alfredo Moreno called executive session to order to conduct deliberations with persons designated by the governing body to negotiate real property transactions. Executive Session is held under authority of ORS 192.660(2)(e).

President Moreno noted that the news media and designated staff may attend executive session. Representatives of the news media were directed not to disclose information discussed during executive session. No final action or final decision may be made in executive session.

Agenda Item #2 – Call Regular Meeting to Order

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Alfredo Moreno on Wednesday, January 10, 2024, at 6:00 pm.

Agenda Item #3 – Action Resulting from Executive Session

There was no action resulting from Executive Session.

Agenda Item #4 – Accept: Audit Report on Park District Financial Statements for Fiscal Year 2022/23

Jared Isaksen, Finance director, introduced Julie Fahey, Audit Partner with Talbot, Korvola & Warwick, LLP, the district's auditor, and Chris Howard, THPRD Audit Committee member, to make a presentation on the audit report on the park district's financial statements for the fiscal year ended June 30, 2023.

Julie provided a brief overview of the audit process and the district's audit results for the year ended June 30, 2023, via a PowerPoint presentation, a copy of which was entered into the record. This year marked implementation of the Governmental Accounting Standards Board's Statement No. 96, Subscription-based Information Technology Arrangements, which was handled successfully by district staff. She noted that the Independent Auditor's Report includes an unmodified opinion, meaning that the district's financial statements have been fairly presented, and that there were no internal control findings discovered. The district intends to apply for the Government Finance Officers Association Certificate of Excellence in Financial Reporting Award, which would be the district's 19th consecutive year for this award. Julie concluded her presentation by thanking district Finance staff for helping facilitate the audit process and offered to answer any questions the board may have.

President Moreno thanked the district’s auditor, audit committee, and staff for their efforts, noting the confidence it inspires in the public when an agency has a clean audit report.

Barbie Minor moved that the board of directors accept the Audit Report on the park district’s Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. Felicita Monteblanco seconded the motion. Roll call proceeded as follows:

Tya Ping	Yes
Miles Palacios	Yes
Felicita Monteblanco	Yes
Barbie Minor	Yes
Alfredo Moreno	Yes

The motion was UNANIMOUSLY APPROVED.

Agenda Item #5 – Audience Time

There was no testimony during Audience Time.

Agenda Item #6 – Board Time

A. Committee Liaisons Updates

Miles Palacios provided the following updates and comments during board time:

- ✓ Recently toured Cedar Hills Recreation Center and experienced the activity around THPRD morning classes and programming offered by community groups to which we provide space. His conversations with district staff included the successes and challenges of that particular facility, noting that hiring instructors and teachers is an ongoing challenge and spotlights the need for our continued emphasis on recruitment activities.
- ✓ Also toured the Elsie Stuhr Center during the lunchtime hour when Meals on Wheels was serving meals. He described the opportunity for community that this facility provides for those within the age range who qualify to participate, noting that he is excited to see how the district can continue to bring back more of the programs at the center, including partnerships with community groups operating out of the center.

Barbie Minor provided the following updates and comments during board time:

- ✓ Also attended the tour of the Elsie Stuhr Center and came away with such a strong sense of community, noting that it was uplifting to observe the interactions of the patrons. She thanked the district staff involved in providing the tour and expressed agreement with Miles’s comments around continuing to look for ways to lift up programming there.

President Moreno provided the following updates and comments during board time:

- ✓ Attended a well-attended THPRD community meeting at Garden Home Recreation Center regarding a proposed dog run at Garden Home Park. He commended district staff for being willing to bring people together with strong opinions on both sides of an issue in order to be heard and to hear each other. He referenced the value in feeling heard regardless of outcome.

Agenda Item #7 – Consent Agenda

Miles Palacios moved that the board of directors approve consent agenda items (A) Minutes of December 13, 2023 Regular Board Meeting, (B) Request for Reallocation of Funds Between Projects Within the 2023-24 System Development Charges Fund Budget, (C) Resolution Modifying 20-Year System Development Charge Capital Improvement Project List, (D) Intergovernmental Agreement with Metro for 2019 Parks and Nature Bond Measure Trails Grant Program, and (E) Intergovernmental Agreement with Washington County for Major Street Transportation Improvement Program (MSTIP) Opportunity Fund. Barbie Minor seconded the motion. Roll call proceeded as follows:

Felicita Monteblanco **Yes**
Tya Ping **Yes**
Barbie Minor **Yes**
Miles Palacios **Yes**
Alfredo Moreno **Yes**

The motion was UNANIMOUSLY APPROVED.

Agenda Item #8 – Unfinished Business

A. Maintenance Operations Overview

Aisha Panas, deputy general manager, and Jon Campbell, Maintenance Operations manager, provided an in-depth overview of the current status of Maintenance Operations across the district, including historical funding and staffing levels within the department, via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Background & History
 - 1990-2009: Specialized maintenance model
 - 2010-2011: Restructure - Implemented service consolidation
 - 2012-2013: Developed Park Maintenance Standards Manual
 - 2013: Restructure - Created Trails team
 - 2014: Restructure - Established Zone Management
 - 2016: Restructure - Parks & Athletic Facilities merge; Trails team moves to Nature & Trails
 - 2018: Updated Park Maintenance Standards Manual
 - 2018-present: Annual evaluation and adjustment of service routes as needed
- Operations Model & Locations
 - Park Maintenance North located at the HMT Recreation Complex
 - Park Maintenance South located at the Fanno Creek Service Center
- Growth of the THPRD System
- Planning for the Future of Parks and Trails
 - Most parks are visited once or twice a week
 - Increased programming = more frequent visits
 - Growing park system, declining resources
 - Land banking vs. park development
- Departmental Challenges
 - Providing high-quality parks and trails, despite having:
 - Fewer full-time staff
 - Fewer part-time & seasonal staff
 - Higher costs for utilities, materials, and supplies
- A Day in the Life of Park Maintenance
- Possible Operational Adjustments
 - Trails maintenance shifted to Nature & Trails
 - Routes reorganized
 - More frequent service of high-use sites
 - Delayed development of future parks

Aisha and Jon concluded their presentation and offered to answer any questions the board may have.

Felicita Monteblanco thanked district staff for the informative presentation, noting that it was helpful to hear more about the district's desired service levels in relation to a growing parks system and decreasing funding levels. She expressed gratitude to the staff who do this work and wished that every THPRD community member understood what it takes to maintain the district.

President Moreno asked for additional information regarding the graph reflecting the decline in full-time equivalent staff hours for Maintenance Operations and the reason or reasons behind the reduction.

- ✓ Aisha explained that one major reason for the decline was when the district's Building Facilities staff were moved out of the Maintenance Operations budget into their own home facilities in FY20/21, but that the overall decline started prior to, and has continued past, that adjustment.

Tya Ping inquired whether recruitment difficulties have contributed to the reduction in hours shown.

- ✓ Aisha replied that these are budgeted positions funded in each budget year, but that some positions were lost during the pandemic and funding has not been found to resurrect them.

President Moreno thanked district staff for the informative presentation.

B. Resolution Calling for an Election in the Tualatin Hills Park & Recreation District on May 21, 2024, to Submit a Local Option Levy Measure to District Voters

In response to the THPRD Board of Director's budget priority to *Develop Sustainable Operating and Financial Models for the Future*, the following board work sessions, presentations, and discussions have taken place over roughly the past 11 months:

- March 8, 2023, Regular Board Meeting
 - Staff provided a detailed overview of the district's operating budget challenges and a high-level outline of options the district may wish to explore to ensure the necessary funding to maintain existing service levels.
- April 12, 2023, Work Session
 - Staff provided an overview of various strategies the district may pursue to develop long-term sustainable operating and financial models. Staff shared information for the board's consideration including impacts to current and future service levels based on budget projections, realistic operating scenarios given budget projections, and an examination of options to pursue for revenue enhancement, including the timeline and process for pursuing a potential voter-approved operating levy to help fund service delivery.
- May 10, 2023, Work Session
 - Staff shared a brief history of Oregon property taxation and information on the district's historical use of operating levies.
- August 10, 2023, Regular Board Meeting
 - Staff shared plans for forming a community-led Levy Task Force to help advise the district on preparing for an operating levy. Staff also provided an overview of the project timeline and key milestones.
- September 13, 2023, Regular Board Meeting
 - The board appointed 13 community members to the district's Levy Task Force to advise the board on whether the district should pursue a voter-approved operating levy to fill a projected \$16 million deficit in the district's operating budget, representing about 21% of the district's annual budget. If so, they would also provide advice on the size, scale, and components of the levy.
- October 24, 2023, Board of Directors Retreat
 - Staff provided an update on the work of the district's Levy Task Force and the public opinion research that had been conducted. In addition, two questions were posed for the board's consideration and discussion:
 - If the levy doesn't pass, but the margin is close, would we go out to voters again? If so, in 2025?

- If the levy doesn't pass, what will the district's reduction philosophy be for the FY 24-25 Budget?
- November 8, 2023, Regular Board Meeting
 - Staff provided an update on the work of the district's Levy Task Force and project timeline.
- December 13, 2023, Regular Board Meeting
 - The Levy Task Force presented their recommendations to the board as follows:
 - Yes, the district should pursue an operating levy.
 - The local option levy should be in the amount of \$0.50 per \$1,000 in assessed value for five years beginning in 2024-2025.
 - The district should refer the levy measure to the voters for the May 21, 2024, election date.
 - Because the proposed local option levy is for operations (rather than capital expenditures), the district should prioritize capital replacement funding in a future bond measure when it is time to contemplate replacement of the 2008 bond measure.

Holly Thompson, Communications director, introduced this evening's presentation by noting that staff is requesting board consideration of a resolution calling for an election in the Tualatin Hills Park & Recreation District on May 21, 2024, to submit a local option levy measure to voters. The resolution includes the authorization of the ballot title, caption, and referral summary, and authorizes staff to draft and submit an explanatory statement for the county voters' pamphlet. Staff have worked with both legal counsel and public affairs professionals to provide guidance and input on required submissions to ensure the writing is impartial and clear for district voters.

Holly summarized the long and thoughtful process that has led the board and staff to this point:

- Staff are not making this request lightly; this has been a careful and reflective effort. Staff appreciate the concerns around tax sensitivity as heard from a couple of people last month, and their viewpoint is real and valid. But the district has avoided the issue of needing an operating levy for as long as it can, and the effects are already being felt.
- Two-thirds of the district's funding comes from property taxes. With the 3% growth cap, that funding can't keep up with rising costs. In the late 1990's, Measure 50 reduced 1997-98 property taxes by 10% and established permanent tax rates for jurisdictions. It also established the concept of Assessed Value vs. Real Market Value and limited the yearly growth of Assessed Value artificially to 3%. Local option levies remained as the only way for taxing districts to raise operating revenue beyond the permanent rate, putting the power into the hands of the voters in terms of what level of service they wished to fund. This set the stage for where the district is today.
- For years, THPRD benefited from strong growth in our boundaries, coupled with careful budgeting, as well as deferring investments that have caught up with us. Impacts were also felt due to the COVID-19 pandemic with facility closures, labor market imbalances, and inflation. Additional impacts included pension funding, full-time and part-time pay increases, and state mandates such as pay equity and Paid Leave Oregon.
- All of this has resulted in a forecasted \$16 million shortfall year-over-year in district operations, representing 21% of the annual operating budget. Without additional funding, personnel costs will increase from 27% of our budget today to 86%; funding for materials and services will decrease by 50%; contingency will be reduced by 80%; and no funding will be left for capital replacements.
- Without an operating levy, THPRD as it is today cannot be maintained:
 - 50 full-time and 200 part-time staff positions will be lost
 - Park maintenance will look radically different with garbage pick-up being less frequent, restrooms not cleaned or closed entirely, and some parks only serviced once per month

- 50% reduction in park and trail projects
- Closures of 3 pools and 2 splash pads
- Reduced facility hours
- Discontinuation of community events
- Elimination of the district's Mobile Rec, afterschool, preschool, and Camp Rivendale programs, as well as some recreation programs like Fitness in the Park, the NEWT program, and more
- As noted emphatically by the Levy Task Force members last month, this isn't the THPRD the community expects. The absolute priority is in maintaining service levels; not asking for more. The proposal before the board this evening represents a modest ask that will maintain current service levels, including growth expected over the next 5 years, and a needed new registration system.
 - Resolution 2024-02 authorizes the board to ask the voters of THPRD to support:
 - \$0.50 per \$1,000 in Assessed Value for 5 years
 - Nets between \$15-\$17 million annually
 - And is supported by public opinion research:
 - 60% of voters are likely to support the measure
 - People are concerned about reductions in park maintenance and programs
- Staff wants to emphasize that this ask is not being made lightly and that the district cares deeply about ensuring that our community is affordable and that THPRD remains accessible; however, an operating levy is the best way to allow THPRD to invest in its values. Property taxes are the funding that provides for the programs that reach our most vulnerable. With the levy, the district can:
 - Expand the Financial Aid program; expand partnerships with community-based organizations and government agencies; continue the Mobile Rec, afterschool, preschool, and Camp Rivendale programs; and maintain Centro de Bienvenida.

In conclusion, Holly added that staff respects that this isn't an easy burden for the board to carry, but at the end of the day the ask of the board is to follow the process laid out by the State of Oregon and letting the voters decide. Holly offered to answer any questions the board may have.

President Moreno opened the floor to board discussion.

Felicita Monteblanco thanked district staff for the thoughtfulness that has gone into this process and expressed gratitude for the work of the Levy Task Force and the diversity reflected on that committee. For her, this issue boils down to the district's commitment to pay equity and retaining our amazing staff, as well as the fact that our community is growing and while we welcome those who are new, it also increases the pressure on the parks system, and it costs money to provide the level of service that THPRD has provided for so long. She is excited to move forward and believes that the voters will choose to maintain THPRD's current level of service by voting yes.

Miles Palacios commented that two primary points stick out to him: a conversation around maintenance and a conversation around legacy. The operating levy isn't about expanding; it's about making sure THPRD can continue to provide the services that our community expects from us while also taking care of our employees who provide those experiences for our community members. He expressed gratitude for the work of the Levy Task Force, noting that the board owes it to the community to put this on the ballot for their decision.

Tya Ping thanked district staff for the immense amount of work in putting together the projections and estimations that helped inform this process. While she was initially hesitant when the idea of an operating levy was first suggested, it's become clear the importance that THPRD stays the way it is and that being a special district is a strength. She supports providing an opportunity to the voters to make that choice, noting that if the levy doesn't pass, that will provide the district more information, as well.

Barbie Minor echoed her fellow board members' comments of gratitude, noting that while she feels the weight of this decision for the board, it is also their responsibility. Through this process, the board has been privy to much information about any alternate ways to address the issue as well as educating themselves on the severity, but ultimately they are five people serving over 270,000 so in that regard she would like to hear what those people have to say. She looks forward to learning more about how we will be communicating with our community about this, such as through the voters' pamphlet, and taking the voters on this journey of the changes that have occurred that led us to where we are today.

President Moreno expressed appreciation for the thoughtful approach of district staff, the Levy Task Force, and the board in coming to this decision. THPRD is a special organization doing a lot of great work and is appreciated immensely by the community it serves. The district has an obligation to sustain, if not enhance, and the opportunity to choose needs to be made available to voters. However, he would like the voters to know that this choice was by no means a rubber stamp decision by the board and that many other revenue diversification ideas were explored and will continue to be explored. THPRD appreciates its community and does not take it for granted.

Felicita Monteblanco moved that the board of directors approve the Resolution Calling for an Election in the Tualatin Hills Park & Recreation District on May 21, 2024, to Submit a Local Option Levy Measure to District Voters. Tya Ping seconded the motion. Roll call proceeded as follows:

Barbie Minor	Yes
Miles Palacios	Yes
Tya Ping	Yes
Felicita Monteblanco	Yes
Alfredo Moreno	Yes

The motion was UNANIMOUSLY APPROVED.

B. General Manager's Report

The following presentations were provided as listed within the General Manager's Report included in the board of directors' information packet:

- Updated Quarterly Financial Report
 - Jared Isaksen, Finance director, provided a brief overview of the updated quarterly financial report included within the board of directors' information packet.
- Cinthya Rodriguez Méndez, financial aid specialist, and Lulú Ballesteros, Equity and Engagement manager, provided an update on the district's financial aid program via a PowerPoint presentation, a copy of which was entered into the record.

Doug and the presenters offered to answer any questions the board may have.

Updated Quarterly Financial Reports

Board comments and discussion included the following:

- Overall support for the new report as presented and agreement with the \$10,000 accounts payable threshold.
- It would be helpful to have more current Human Resources recruitment information as well as trends identified (examples include positions that are having difficulty being filled).
- Identifying Minority, Women Owned, Emerging Small Business (MWESB) companies when that ability becomes available.

Financial Aid Program

Board comments and discussion included the following:

- Expressions of gratitude for the growth and intentionality behind this program, including by meeting people where they're at and bridging the gap so that all community members can participate, as well as for reflecting the board's values in such a meaningful way.

- Appreciation for the transformation of this program in terms of ease of access and flexibility in how the funds can be used.
- Offerings of board assistance in networking with community leaders in ways that might be helpful for this program.
- Discussion regarding what types of programs are most popular and the work being done towards developing a database that will help track usage information, including what programs and locations are most popular.
- How this program is changing people's lives in a significant way, such as through swimming classes and babysitting training, and the districtwide messaging that the district's programs are for everyone.

Agenda Item #9 – New Business

A. Sunset Town Center Community Parks & Open Space Concept Plan

Gery Keck, Planning & Development manager, and Peter Swinton, urban planner, provided a detailed overview of the proposed mix of parks and trails as laid out within the draft Sunset Town Center Community Parks & Open Space Concept Plan, a copy of which was included within the board of directors' information packet, via a PowerPoint presentation, a copy of which was entered into the record. The draft concept plan lays the foundation for expanding THPRD's level of service in an area of the district currently considered to have no service, funded via system development charges collected from the Sunset Town Center development. All park-specific projects identified through the concept plan will incorporate THPRD's community engagement process so that project-level concept plans are developed with community members. Gery and Peter noted that board feedback will be incorporated into a final concept plan for consideration of board adoption in the spring, and offered to answer any questions the board may have.

Miles Palacios expressed agreement with the decision not to site a park within the Hillside Parcel noting that it would be a difficult area for recreation due to the steep topography and number of trees. Overall, he supports the current proposal as detailed.

Tya Ping asked if all of the parks would be connected by the trail.

- ✓ Peter described how the trail will traverse the development whereas the park sites were located closer to where people will live and with street access. Additionally, some of the parks are located on one side of the vegetated corridor and the trail on the other side, which increases the difficulty in connecting the parks directly to the trail; however, sidewalks will also link the parks to the trail.

Tya asked whether the Hillside Parcel would be left forested.

- ✓ Gery replied that while staff does not have that answer right now, the topography is very steep and forested and there are greenspace requirements for the development.

Tya stated that she would like to see as much preservation of trees as possible in order to help cool what will be a densely developed area. She also described the unique opportunity available to provide a destination park with interactive amenities close to the Sunset Transit Center, as well as giving each of the other parks a unique or identifying feature of interest serving different age groups. She would also like to see loop walking or biking trails around the parks for gentle exercise if possible.

Felicita Montebianco expressed agreement with Tya's comments regarding trying to keep as many trees as possible to cool a densely populated area, as well as the opportunity for a destination park, which was called out in the district's visioning work. She acknowledged the future community engagement work to design each park site, noting that dog areas and community gardens came to her mind. She appreciates the number of photos and images in the concept plan and is excited to welcome these new community members in a few years.

President Moreno thanked district staff for the informative presentation.

B. Climate Action Plan

Bruce Barbarasch, Nature & Trails manager, provided a detailed overview regarding the development of a proposed Climate Action Plan (CAP), a copy of which was included within the board of directors' information packet, via a PowerPoint presentation, a copy of which was entered into the record. The proposed CAP, which will help THPRD serve the community in a sustainable manner, is intended to be carried out between 2024 and 2029 and will be updated every five years. It has two primary sections, Mitigation and Adaptation, each with six objectives. Bruce noted that board feedback will be incorporated into a final CAP for consideration of board adoption in March, and offered to answer any questions the board may have.

Barbie Minor commented that, although she is not an expert in this area, she appreciates how the plan is laid out in a clear and measurable manner and encouraged looking for any additional opportunities to not only save money, but operate in a more sustainable manner.

Felicita Monteblanco noted that, overall, she likes the plan and how it's laid out. She highlighted some questions and thoughts with the caveat that the district may not have the funding to act on them. She referenced Mitigation objective #6, Green Space Preservation, and its objective to maintain or increase vegetation and tree canopy in parks, and suggested that consideration be given to how to share our knowledge with the community, such as what types of trees to plant.

- ✓ Bruce described how much of this will be addressed through our work with our local agency partners, such as the Tree for All initiative in which the district is participating.

Felicita referenced Adaptation objective #1, Education, and suggested that consideration be given to how we can incorporate information about climate change in our signage as it's updated.

Tya Ping expressed agreement with Felicita's comments around community engagement and the role education plays in not just taking the community along on the district's journey, but identifying things that they can do at home, too. She also likes the way the plan is laid out and would love to see graphs reflecting our progress and perhaps quarterly updates.

Miles Palacios asked whether consideration has been given to utilizing rainwater in our facilities or other spaces.

- ✓ Bruce replied that this has been considered but is more complicated than it may appear and referenced the challenges and expense of catching rainwater and pumping it back out; however, recycled water seems to be more feasible and district staff is in discussions with Clean Water Services on this concept.

President Moreno expressed agreement with previous comments that the plan is well laid out. He referenced Mitigation objective #5, Waste Reduction, and described the need to be able to thoughtfully articulate any of these moves in combination with levy communications and how those interact; for example, with waste reduction being a goal of the CAP but also a consequence of an unsuccessful levy.

- ✓ Bruce noted that the approach to waste reduction in relation to the CAP will be around the waste generated at our facilities that is under our control, not waste collection at parks.

Agenda Item #10 – Adjourn

There being no further business, the meeting was adjourned at 8:15 pm.

Alfredo Moreno, President

Barbie Minor, Secretary

Recording Secretary,
Jessica Collins